

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

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Index No 1:19-CV-05121

Rahul Manchanda,

Plaintiff,

AMENDED COMPLAINT

-against-

Navient Student Loans & Educational  
Credit Management Corporation ("ECMC"),

Defendants.

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Plaintiff, Rahul Manchanda, for its Complaint against Defendants  
alleges:

1. Plaintiff, at all times relevant hereto, has a business office located at 30 Wall Street, 8<sup>th</sup> Floor, New York, NY 10005, and a home address of 1 West End Avenue, Apt 14B, New York NY 10023.
2. Defendants predominantly reside and work in New York City, Pennsylvania and all throughout the USA and possibly the world.
3. This complaint concerns the illegal, unlawful, dishonest, extortionate, unfair, fraudulent, and incompetent business practices of Navient Student Loans ("Navient") and Educational Credit Management Corporation ("ECMC").
4. Navient is currently being sued for substantially the same allegations contained herein in such courts as the U.S. District

Court Southern District of New York by the Consumer Financial Protection Bureau ("CFPB"), sued by five states, including California, Illinois, Pennsylvania, Washington and Mississippi, who have alleged improper actions on behalf of student loan borrowers, follows action from the CFPB which sued Navient in January 2017 for "systematically and illegally [failing] borrowers at every stage of repayment," including: (a) created obstacles to repayment by providing bad information; (b) processed payments incorrectly; (c) failed to act when borrowers complained; (d) illegally cheated many struggling borrowers out of their rights to lower payments, which caused them to overpay for their student loans; (e) deceived private student loan borrowers about requirements to release their co-signer from the loan; and (f) harmed the credit of disabled borrowers, including severely injured veterans (**Exhibit A**);

5. In this lawsuit it is also alleged that ECMC in conjunction with Navient illegally retaliated against, collected on, and punished Plaintiff when he filed for and obtained a bankruptcy discharge in 2014 in the Bankruptcy Court of Southern District of New York, when due to this bankruptcy Plaintiff was temporarily and through no fault of his own, in temporary default on paying his monthly student loan payments;
6. Navient and ECMC by behaving in this manner is in contempt of federal bankruptcy court and the terms of discharge, when they

illegally added approximately \$60,000 in "collections fees" to his otherwise already high student loans which were substantially paid off since the late 1990s, of almost 50% of the remaining principal balance remaining, thus further compounding Plaintiff's financial woes and undermining any and all discharges obtained by the Plaintiff, in complete and total violation of federal bankruptcy law, dooming Plaintiff to further "debt slavery" in violation of state and federal law;

7. Not only that, but in April 2019 Navient demanded that Plaintiff pay a monthly student loan payment amount that completely and totally is both way too high and, percentage wise, also violates both state and federal law according to Plaintiff's tax returns, thus again forcing Plaintiff and his family into illegal "debt slavery;"
8. Plaintiff had complained to the NY Attorney General, Consumer Financial Protection Bureau, the US Department of Justice, Pennsylvania Attorney General, Delaware Attorney General, Better Business Bureau of Delaware in March 2018 for also illegally, fraudulently, and unethically trying to transform Plaintiff's student loan debt from its original approximately \$98,000 still owed, then tacking on their approximately illegal \$60,000 "collection fee" as punishment/retaliation for Plaintiff's bankruptcy discharge, and then bizarrely and for no reason more than doubling it to \$309,000, for no reason whatsoever (**Exhibit**

B) - these complaints it is believed are what contributed/led to all of these federal/state/local agencies and multiple States Attorneys General to sue Navient which is still going on to the present day;

**AS AND FOR A FIRST CAUSE OF ACTION AGAINST DEFENDANTS**

9. Plaintiff repeats and realleges each and every allegation contained in paragraphs 1 through 8 of this Complaint.
10. Therefore Plaintiff herein sues for actual and punitive damages \$100,000,000 for fraudulent inducement to contract;

**AS AND FOR A SECOND CAUSE OF ACTION AGAINST DEFENDANTS**

11. Plaintiff repeats and realleges each and every allegation contained in paragraphs 1 through 8 of this Complaint.
12. Plaintiff also sues for actual and punitive damages for \$100,000,000 for false advertising;

**AS AND FOR A THIRD CAUSE OF ACTION AGAINST DEFENDANTS**

13. Plaintiff repeats and realleges each and every allegation contained in paragraphs 1 through 8 of this Complaint.

14. To that end Plaintiff also sues for \$100,000,000 in actual and punitive damages for intentional and negligent infliction of emotional and physical distress for the severe abuse that he, his pregnant wife, elderly mother and friends have endured for more than 1 year as described herein, backed up by medical evidence;

**AS AND FOR A FOURTH CAUSE OF ACTION AGAINST DEFENDANTS**

15. Plaintiff repeats and realleges each and every allegation contained in paragraphs 1 through 8 of this Complaint.

16. To that end Plaintiff also sues for \$100,000,000 in actual and punitive damages for breach of contract;

**AS AND FOR A FIFTH CAUSE OF ACTION AGAINST DEFENDANTS**

17. Plaintiff repeats and realleges each and every allegation contained in paragraphs 1 through 8 of this Complaint.

18. To that end Plaintiff also sues for \$100,000,000 in actual and punitive damages for repeated acts of bankruptcy stay and discharge violations;

**AS AND FOR A SIXTH CAUSE OF ACTION AGAINST DEFENDANTS**

19. Plaintiff repeats and realleges each and every allegation



contained in paragraphs 1 through 8 of this Complaint.

20. To that end Plaintiff also sues for \$100,000,000 in actual and punitive damages for violation of the Fair Debt Collection Practices Act, 15 U.S.C. § 1692 et seq prohibiting from engaging in abusive, deceptive, and unfair debt collection efforts;

**AS AND FOR A SEVENTH CAUSE OF ACTION AGAINST DEFENDANTS**

21. Plaintiff repeats and realleges each and every allegation contained in paragraphs 1 through 8 of this Complaint.

22. To that end Plaintiff also sues for \$100,000,000 in actual and punitive damages for unjust enrichment;

**AS AND FOR AN EIGHTH CAUSE OF ACTION AGAINST DEFENDANTS**

23. Plaintiff repeats and realleges each and every allegation contained in paragraphs 1 through 8 of this Complaint.

24. To that end Plaintiff also sues for \$100,000,000 in actual and punitive damages for unlawful/deceptive/fraudulent business practices;

**AS AND FOR A NINTH CAUSE OF ACTION AGAINST DEFENDANTS**

25. Plaintiff repeats and realleges each and every allegation contained in paragraphs 1 through 8 of this Complaint.

26. To that end Plaintiff also sues for \$100,000,000 in actual and punitive damages for harassment;

**AS AND FOR A TENTH CAUSE OF ACTION AGAINST DEFENDANTS**

27. Plaintiff repeats and realleges each and every allegation contained in paragraphs 1 through 8 of this Complaint.

28. To that end Plaintiff also sues for \$100,000,000 in actual and punitive damages for extortion;

**AS AND FOR AN ELEVENTH CAUSE OF ACTION AGAINST DEFENDANTS**

29. Plaintiff repeats and realleges each and every allegation contained in paragraphs 1 through 8 of this Complaint.

30. To that end Plaintiff also sues for \$100,000,000 in actual and punitive damages for conversion/theft;

**AS AND FOR A TWELFTH CAUSE OF ACTION AGAINST DEFENDANTS**

31. Plaintiff repeats and realleges each and every allegation contained in paragraphs 1 through 8 of this Complaint.

32. To that end Plaintiff also sues for \$100,000,000 in actual and punitive damages for breach of fiduciary duty;

**AS AND FOR A THIRTEENTH CAUSE OF ACTION AGAINST DEFENDANTS**

33. Plaintiff repeats and realleges each and every allegation contained in paragraphs 1 through 8 of this Complaint.

34. To that end Plaintiff also sues for \$100,000,000 in actual and punitive damages for breach of the duty of loyalty;

**AS AND FOR A FOURTEENTH CAUSE OF ACTION AGAINST DEFENDANTS**

35. Plaintiff repeats and realleges each and every allegation contained in paragraphs 1 through 8 of this Complaint.

36. To that end Plaintiff also sues for \$100,000,000 in actual and punitive damages for criminal and civil usury;

**AS AND FOR A FIFTEENTH CAUSE OF ACTION AGAINST DEFENDANTS**

37. Plaintiff repeats and realleges each and every allegation contained in paragraphs 1 through 8 of this Complaint.

38. To that end Plaintiff also sues for \$100,000,000 in actual and



punitive damages for illegally high collection costs;

**AS AND FOR A SIXTEENTH CAUSE OF ACTION AGAINST DEFENDANT**

39. Plaintiff repeats and realleges each and every allegation contained in paragraphs 1 through 8 of this Complaint.

40. To that end Plaintiff also sues for \$100,000,000 in actual and punitive damages for wire fraud;

**AS AND FOR A SEVENTEENTH CAUSE OF ACTION AGAINST DEFENDANT**

41. Plaintiff repeats and realleges each and every allegation contained in paragraphs 1 through 8 of this Complaint.

42. To that end Plaintiff also sues for \$100,000,000 in actual and punitive damages for fraudulent misrepresentation;

**AS AND FOR AN EIGHTEENTH CAUSE OF ACTION AGAINST DEFENDANT**

43. Plaintiff repeats and realleges each and every allegation contained in paragraphs 1 through 8 of this Complaint.

44. To that end Plaintiff also sues for \$100,000,000 in actual and punitive damages for defamation, slander and libel;

**AS AND FOR A NINETEENTH CAUSE OF ACTION AGAINST DEFENDANT**

45. Plaintiff repeats and realleges each and every allegation contained in paragraphs 1 through 8 of this Complaint.

46. To that end Plaintiff also sues for \$100,000,000 in actual and punitive damages for mail fraud;

**AS AND FOR A TWENTIETH CAUSE OF ACTION AGAINST DEFENDANT**

47. Plaintiff repeats and realleges each and every allegation contained in paragraphs 1 through 8 of this Complaint.

48. To that end Plaintiff also sues for \$100,000,000 in actual and punitive damages for debt slavery;

49. such other and further relief as the Court deems just and proper, including applicable interest, costs and disbursements of this action.

**Dated:** New York, NY  
June 5, 2019



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Rahul Manchanda, Esq.  
30 Wall Street, 8<sup>th</sup> Floor  
New York, NY 10005  
Tel: (212) 968-8600  
Fax: (212) 968-8601  
Email: info@manchanda-law.com